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INITIATIVE 729

I, Ralph Munro, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 729 to the People is a true and correct copy as it was received by this office.

1 AN ACT Relating to education; amending RCW 41.59.080; adding a
2 new section to chapter 41.56 RCW; adding a new section to chapter
3 41.59 RCW; adding a new chapter to Title 28A RCW; and creating new
4 sections.

5 BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1. INTENT.** The People intend to authorize
7 the establishment of charter public schools for the purpose of
8 providing more, high-quality public school choices for families,
9 students and teachers. High-quality public school choices are those
10 proven and promising learning environments that are likely to result
11 in improved student achievement.

12 NEW SECTION. **Sec. 2. DEFINITIONS.** Unless the context clearly
13 requires otherwise, the definitions in this section apply throughout
14 this chapter.

(1) "**Applicant**" means a nonprofit corporation that has submitted an application to a sponsor to obtain approval to operate a charter public school. The nonprofit corporation must either be a public benefit nonprofit corporation as defined in RCW 24.03.490, or a nonprofit corporation as defined in RCW 24.03.005 that has applied for tax-exempt status under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)). The nonprofit corporation may not be a sectarian or religious organization and must meet all of the requirements for a public benefit nonprofit corporation before receiving any funding under section 12 of this act.

(2) "**Charter**" means a contract between an applicant and a sponsor. The charter establishes, in accordance with this chapter, the terms and conditions for the management, operation, and educational program of the charter public school.

(3) "**Charter public school**" means a public school managed by an applicant's board of directors and operating independently of any school district board under a charter approved in accordance with this chapter.

(4) "**Board of directors**" means the board of directors of the public benefit nonprofit corporation that manages and operates the charter public school.

(5) "**Sponsor**" means:

(a) The school district in which the charter public school is located; or

(b) any state or regional university as defined in RCW 28B.10.016.

Charter public schools sponsored under (b) of this subsection shall be approved by the governing board of the sponsoring institution or by an official or agency designated by and accountable to the governing board.

NEW SECTION. **Sec. 3. CHARTER PUBLIC SCHOOLS--POWERS.**

(1) The charter public school's board of directors may hire, manage, and discharge any charter public school employee in accordance with the terms of this chapter and that school's charter.

(2) The charter public school's board of directors may enter into a contract with any school district, or any other public or private entity, also empowered to enter into contracts, for any and

1 all real property, equipment, goods, supplies, and services,
2 including educational instructional services.

3 (3) Charter public schools may rent, lease, or own property,
4 but may not acquire property by eminent domain. All charters and
5 charter public school contracts with other public and private
6 entities must include provisions regarding the disposition of the
7 property if the charter public school fails to open as planned,
8 closes, or the charter is revoked or not renewed. Charter public
9 schools may accept gifts and donations from other governmental and
10 private entities, excluding sectarian or religious organizations.
11 Charter public schools may not accept any gifts or donations the
12 conditions of which violate this chapter.

13 (4) Neither a charter public school sponsor nor the school
14 district in which the charter public school is located is liable for
15 acts or omissions of a charter public school, including acts or
16 omissions related to the application, the charter, the operation, and
17 the performance of the charter public school.

18 (5) Charter public schools may not charge tuition, levy taxes,
19 or issue tax-backed bonds, however they may charge fees for optional
20 noncredit extracurricular events.

21 (6) Charter public schools may issue secured and unsecured debt
22 to manage cash flow, improve operations, or finance the acquisition
23 of real property or equipment. No such issuance shall constitute an
24 obligation, either general, special or moral of the state, the
25 charter public school sponsor, the school district in which the
26 charter public school is located or any other political subdivision
27 or agency of the state. Neither the full faith and credit nor the
28 taxing power of (a) the state, (b) the charter public school sponsor,
29 (c) the school district in which the charter public school is located
30 or (d) any other political subdivision or agency of the state may be
31 pledged for the payment of such debt.

32 NEW SECTION. **Sec. 4. LEGAL STATUS.** A charter public school
33 is a public school including one or more grades, kindergarten through
34 twelve, operated by a public benefit nonprofit corporation, according
35 to the terms of a renewable five-year contract granted by a sponsor.

36 NEW SECTION. **Sec. 5. CHARTER PUBLIC SCHOOLS--EXEMPTIONS.**

1 (1) A charter public school shall operate independently of any
2 school district board, under a charter approved by a sponsor under
3 this chapter.

4 (2) Charter public schools are exempt from all state statutes
5 and rules applicable to school districts and school district boards
6 of directors except as provided in this chapter and in the school's
7 approved charter.

8 (3) A charter public school's board of directors may elect to
9 comply with one or more provisions of the statutes or rules that are
10 applicable to school districts and school district board of
11 directors.

12 (4) All approved charter public schools shall:

13 (a) Comply with state and federal health, safety, and
14 civil rights laws applicable to school districts;

15 (b) Participate in nationally normed standardized
16 achievement tests as required in RCW 28A.230.230 and the elementary,
17 middle school, and high school standards and assessment examinations
18 as required in RCW 28A.655.060;

19 (c) Employ certificated instructional staff as required in
20 RCW 28A.410.010, however charter public schools may, like other
21 public schools, hire noncertificated instructional staff of unusual
22 competence and in exceptional cases as specified in RCW 28A.150.260;

23 (d) Comply with the employee record check requirements in
24 RCW 28A.400.303;

25 (e) Be subject to the same financial and audit
26 requirements as a school district;

27 (f) Comply with the annual performance report under RCW
28 28A.655.110;

29 (g) Report at least annually to its sponsor and to parents
30 of children enrolled at the charter public school on progress toward
31 the student performance goals specified in the charter; and

32 (h) Comply with the open public meetings act in chapter
33 42.30 RCW.

34 NEW SECTION. **Sec. 6. ADMISSION REQUIREMENTS.**

35 (1) A charter public school must enroll all students who submit
36 a timely application. If capacity is insufficient to enroll all
37 students who submit a timely application, the charter public school
38 must give enrollment priority to students who reside within the

1 school district boundaries in which the charter public school is
2 physically located. Priority also must be given to siblings of
3 students who are currently enrolled in the school. Schools that
4 convert to charter public schools must also give priority to the
5 students who are currently enrolled in the school. When too many
6 students of equal priority have applied, a lottery shall be used to
7 select the specific students who are offered admission.

8 (2) A charter public school may not limit admission based on
9 race, religion, ethnicity, national origin, gender, income level,
10 intellectual ability, disabling condition, proficiency in the English
11 language, or athletic ability. A charter public school may limit
12 admission to students within a given age group or grade level.

13 NEW SECTION. **Sec. 7. CHARTER APPLICATION--CHARTERING PROCESS.**

14 (1) An applicant may apply to a sponsor to establish a charter
15 public school as provided in this section.

16 (2) An application for a charter public school may be submitted
17 to any qualified sponsor.

18 (3) If an applicant applies to the local school district for
19 sponsorship, the local school district board of directors must hold a
20 public hearing in the school district on the application within sixty
21 days of receipt of the application. The school board must either
22 accept or reject the application within thirty days after the
23 hearing. The thirty-day deadline for acceptance or rejection of the
24 charter public school application may be extended for an additional
25 thirty days if both parties agree in writing.

26 (4) If the local school board rejects the application, the
27 school board must notify the applicant in writing of the reasons for
28 the rejection. The applicant may submit a revised application for
29 the school board's reconsideration. The school board may provide
30 assistance to improve the application. If the school board rejects
31 the application after submission of a revised application, the school
32 board must notify the applicant in writing of the reasons for the
33 rejection.

34 (5) If an applicant applies to a sponsor other than a local
35 school district, that public agency must comply with the procedures
36 specified in subsections (1) through (4) of this section for
37 consideration of charter public school applications. Such a sponsor

1 is not bound by another sponsor's findings or decision to deny the
2 application, if any.

3 (6) The superintendent of public instruction shall maintain
4 copies of all approved charter public school applications. Any
5 interested person may obtain copies of those applications from the
6 office of the superintendent of public instruction.

7 (7) Only the local school district may sponsor the conversion
8 of a conventional public school to a charter public school.

9 NEW SECTION. **Sec. 8. APPLICATION REQUIREMENTS.** The charter
10 public school application is a proposed contract and must include:

11 (1) The identification and description of the nonprofit
12 corporation submitting the application, including the names and
13 descriptions of the individuals who will operate the school;

14 (2) The nonprofit corporation's articles of incorporation,
15 bylaws, and most recent financial statement and balance sheet;

16 (3) A mission statement for the proposed school, consistent
17 with the description of legislative intent in this chapter;

18 (4) A description of the school's educational program,
19 including curriculum and instructional strategies;

20 (5) A description of the school's admissions policy and
21 marketing program, including deadlines for applications or admission;

22 (6) A description of student performance standards that must
23 meet those determined under RCW 28A.655.060, and be measured
24 according to the assessment system determined under RCW 28A.655.060;

25 (7) A description of the plan for evaluating student
26 performance and the procedures for taking corrective action in the
27 event that student performance at the charter public school falls
28 below standards established in its charter;

29 (8) A description of the financial plan for the school. The
30 plan shall include: (a) a proposed five-year budget of projected
31 revenues and expenditures; (b) a plan for starting the school; (c) a
32 five-year facilities plan; (d) evidence supporting student enrollment
33 projections of at least twenty students; and (e) a description of
34 major contracts planned for equipment and services, leases,
35 improvements, purchases of real property, and insurance;

36 (9) A description of the proposed financial management
37 procedures, including annual audits of the school's financial and

1 administrative operations, which shall meet or exceed generally
2 accepted standards of management and public accounting;

3 (10) An assessment of the school's potential legal liability
4 and a description of the types and limits of insurance coverage the
5 nonprofit corporation plans to obtain that are adequate. For
6 purposes of this subsection, a liability policy of between one
7 million and five million dollars is required;

8 (11) A description of the procedures to discipline and dismiss
9 students; and

10 (12) A description of the procedures to assure the health and
11 safety of students, employees, and guests of the school and to comply
12 with applicable federal and state health and safety laws and
13 regulations.

14 NEW SECTION. **Sec. 9. APPROVAL CRITERIA.** A sponsor or
15 alternate sponsor may approve an application for a charter public
16 school, if in its reasonable judgment, after exercising due diligence
17 and good faith, the sponsor or alternate sponsor finds:

18 (1) The applicant is a public benefit nonprofit corporation and
19 the individuals it proposes to manage the school are qualified to
20 operate a charter public school and implement the proposed
21 educational program;

22 (2) The mission statement is consistent with the description of
23 legislative intent and restrictions on charter public school
24 operations in this chapter;

25 (3) The school's proposed educational program is free from
26 religious or sectarian influence;

27 (4) The school's proposed educational program includes student
28 academic performance standards that meet those determined under RCW
29 28A.655.060 and are measured according to the assessment system
30 determined under RCW 28A.655.060;

31 (5) The application includes a viable plan for evaluating pupil
32 performance and procedures for taking appropriate corrective action
33 in the event that pupil performance at the charter public school
34 falls below standards established in its charter;

35 (6) The school's educational program, including curriculum and
36 instructional strategies, is likely to improve student performance as
37 measured under section 5 of this act;

1 (7) The application includes school performance standards,
2 which must meet those determined under the state-wide accountability
3 system adopted by the legislature pursuant to RCW
4 28A.655.060(3)(h)(i);

5 (8) The school's admissions policy and marketing program is
6 consistent with state and federal law;

7 (9) The financial plan for the school is designed to reasonably
8 support the charter public school's educational program based on a
9 review of the proposed five-year budget of projected revenues,
10 expenditures, and facilities;

11 (10) The school's financial and administrative operations,
12 including its annual audits, meet or exceed generally accepted
13 standards of accounting and management;

14 (11) The assessment of the school's potential legal liability,
15 and the types and limits of insurance coverage the school plans to
16 obtain, are adequate. For purposes of this subsection, a liability
17 policy of between one million and five million dollars is required;

18 (12) The procedures the school plans to follow for discipline
19 and dismissal of students are reasonable and comply with federal law;

20 (13) The procedures the school plans to follow to assure the
21 health and safety of students, employees, and guests of the school
22 comply with applicable state and federal health and safety laws and
23 regulations; and

24 (14) The public benefit nonprofit corporation has been approved
25 or conditionally approved by the internal revenue service for tax
26 exempt status under section 501(c)(3) of the internal revenue code of
27 1986 (26 U.S.C. Sec. 501(c)(3)).

28 NEW SECTION. **Sec. 10. CHARTER AGREEMENT--AMENDMENT.**

29 (1) A charter application approved by a sponsor with any
30 changes constitutes a charter.

31 (2) A charter may be amended during its term at the request of
32 the charter public school board of directors and on the approval of
33 the sponsor.

34 NEW SECTION. **Sec. 11. CHARTER RENEWAL AND REVOCATION.**

35 (1) An approved plan to establish a charter public school is
36 effective for five years from the first day of operation. At the
37 conclusion of the first three years of operation, the charter public

1 school may apply for renewal to its sponsor or an alternate sponsor.
2 A request for renewal must be submitted no later than six months
3 before the expiration of the charter. If the request is to an
4 alternate sponsor, the alternate sponsor shall follow the procedures
5 in section 7 of this act.

6 (2) A charter public school renewal application must include:

7 (a) A report on the progress of the charter public school
8 in achieving the goals, student performance standards, and other
9 terms of the charter; and

10 (b) A financial statement that discloses the costs of
11 administration, instruction, and other expenditure objects and
12 activities of the charter public school.

13 (3) The sponsor may reject the application for renewal if any
14 of the following occurred:

15 (a) The charter public school materially violated its
16 contract with the sponsor, as set forth in the charter;

17 (b) The students enrolled in the charter public school
18 failed to meet student performance standards identified in the
19 charter;

20 (c) The charter public school failed to meet generally
21 accepted standards of fiscal management; or

22 (d) The charter public school violated provisions in law
23 that have not been waived in accordance with this chapter.

24 (4) A sponsor shall give written notice of its decision to
25 grant or deny the charter public school's request for renewal within
26 three months of receiving the request for renewal. If its decision
27 is to deny the request, the sponsor shall provide the charter public
28 school with a reasonable opportunity to correct each identified
29 deficiency in its operation. At the request of the board of
30 directors of the charter public school, the sponsor shall review its
31 denial of the request for renewal after the charter public school has
32 corrected any identified deficiencies, and may, in its discretion,
33 reverse its previous decision and grant the charter public school's
34 request for renewal.

35 (5) The sponsor may revoke a previously approved charter before
36 the expiration of the term of the charter, and before application for
37 renewal, for any of the reasons specified in subsection (3) of this
38 section. Except in cases of emergency where the health and safety of
39 children are at risk, a charter may not be revoked unless the sponsor

1 first provides written notice of the specific violations alleged, a
2 public hearing, and a reasonable opportunity for the charter public
3 school to correct the identified areas of concern. The sponsor of a
4 charter public school shall provide for an appeal process upon a
5 determination by the sponsor that grounds exist to revoke a charter.

6 NEW SECTION. **Sec. 12. FUNDING.**

7 (1) If the sponsor is a school district:

8 (a) For purposes of funding, students in charter public
9 schools shall be considered students of the sponsoring district for
10 general fund apportionment purposes. Without violating the
11 provisions of section 13 of this act, the sponsoring school district
12 shall provide prompt and timely funding for charter public schools on
13 a per student basis in amounts the schools would have received if the
14 students were enrolled in a noncharter public school in the district
15 except that a charter public school shall not generate eligibility
16 for small school assistance. Funding for charter public schools
17 shall include regular apportionment, categorical, and nonbasic
18 education funds, as appropriate and shall be based on enrollment and
19 other financial information submitted by the charter public school to
20 the school district as is required to determine state apportionment
21 amounts;

22 (b) Local levy moneys approved by the voters before the
23 effective date of a charter between a school district and an
24 applicant shall not be allocated to a charter public school unless
25 the sponsoring school district determines it has received sufficient
26 authority from voters to allocate maintenance and operation excess
27 tax levy money to the charter public school. For levies approved
28 after the effective date of a charter, charter public schools shall
29 be included in levy planning, budgets, and funding distribution in
30 the same manner as other schools in the district; and

31 (c) A charter public school is eligible for state matching
32 funds for common school construction if a sponsoring school district
33 determines it has received voter approval of local capital funds for
34 the project.

35 (2) Conventional public schools which convert to charter public
36 schools shall receive funding in the same manner as other district-
37 sponsored charter public schools.

(3) If the sponsor is not a school district, students in the charter public school shall still be considered students of the district in which the charter public school is located for general fund apportionment purposes. Without violating the provisions of section 13 of this act, the superintendent of public instruction shall provide prompt and timely funding for charter public schools on a per student basis in amounts the schools would have received if the students were enrolled in a noncharter public school in the district except that a charter public school shall not generate eligibility for small school assistance. The funding shall include regular apportionment, categorical, and nonbasic education funds and shall be based on enrollment and other financial information submitted by the charter public school to the school district and the superintendent of public instruction, as is required to determine state apportionment amounts.

(4) No local levy money may be allocated to a charter public school if the charter public school is sponsored by any public agency other than the local school district.

NEW SECTION. **Sec. 13. ADMINISTRATION FEE.** To offset costs of oversight and administering the charter, a sponsor may retain up to three percent of state funding and local excess levy funding, if applicable, that is being driven to the charter public school. Except for the administration fee in this section, no other offsets or deductions are allowed, whether for central administration or other off-site support services, from a charter public school's per-pupil share of state appropriations, local levies, or other funds, unless the charter public school has voluntarily contracted with its sponsor to obtain specific additional services.

NEW SECTION. **Sec. 14. CHARTER PUBLIC SCHOOL ASSISTANCE ACCOUNT.** The charter public school assistance account is created in the custody of the state treasurer. All receipts from appropriations shall be deposited into the account. Expenditures from the account may be used only to provide financial grants to approved charter public schools for start-up costs. Charter public schools may receive up to two hundred fifty dollars per student for start-up costs. Only the superintendent of public instruction or the superintendent's designee may authorize expenditures from the

1 account. The account is subject to allotment procedures under
2 chapter 43.88 RCW, but no appropriation is required for expenditures.
3 Start-up moneys shall be distributed to schools with approved
4 charters on a first-come, first-served basis.

5 NEW SECTION. **Sec. 15. RULES--GRANTS.** The office of the
6 superintendent of public instruction shall adopt rules to implement
7 section 14 of this act. If an applicant for a charter public school
8 receives a grant under section 14 of this act and fails to begin
9 operating a charter public school within the next eighteen months,
10 the applicant must immediately reimburse the office of the
11 superintendent of public instruction for the amount of the grant.

12 NEW SECTION. **Sec. 16. LEAVES OF ABSENCE.** If a school
13 district employee makes a written request for an extended leave of
14 absence to work at a charter public school, the school district shall
15 grant the request. The school district may require that the request
16 for a leave be made up to ninety days before the employee would
17 otherwise have to report for duty. The leave shall be granted for up
18 to three years. If the employee returns to the school district
19 within the three-year period, the employee shall be hired before the
20 district hires anyone else with fewer years of service, with respect
21 to any position for which the returning employee is certificated or
22 otherwise qualified.

23 NEW SECTION. **Sec. 17. STUDY OF CHARTER PUBLIC SCHOOLS.** The
24 Washington institute of public policy shall study the implementation
25 and effectiveness of this act. The institute shall make
26 recommendations to the legislature about the effectiveness of charter
27 public schools and the impact of charter public schools. The
28 institute shall also recommend changes to this chapter including
29 improvements that could be made to the application and approval
30 process. A preliminary report of the study is due to the legislature
31 by September 1, 2002, and a final report is due September 1, 2004.

32 NEW SECTION. **Sec. 18. NUMBER OF CHARTER PUBLIC SCHOOLS.**

33 (1) The maximum number of charters that can be granted under
34 this chapter is twenty in any given year commencing January 1, 2001,
35 for the first four years. These annual allocations shall be

1 cumulative so that if the maximum is not reached in any given year
2 the maximum shall be increased accordingly for the successive years.

3 (2) A sponsor may not sponsor a charter public school in a
4 school district with a student enrollment of less than one thousand
5 students until January 1, 2003.

6 (3) For purposes of monitoring compliance with this section and
7 providing information to new charter public school applicants, the
8 superintendent of public instruction shall maintain a running total
9 of the projected and actual enrollment at charter public schools and
10 the number of charters granted.

11 (4) For purposes of implementing this subsection, a sponsor
12 shall notify the office of the superintendent of public instruction
13 when it receives a charter public school application, when it
14 approves a charter public school, and when a charter public school is
15 renewed or terminated.

16 (5) The maximum number of charter public schools allowed under
17 this section does not include conventional public schools converting
18 to charter public schools.

19 NEW SECTION. **Sec. 19.** A new section is added to chapter 41.56
20 RCW to read as follows:

21 **COLLECTIVE BARGAINING RIGHTS OF CHARTER PUBLIC SCHOOL EMPLOYEES.**

22 This chapter applies to charter public schools as defined in section
23 2 of this act and the charter public school's employees included in
24 the bargaining unit. The bargaining unit of employees of charter
25 public schools must be limited to the employees of the charter public
26 school and must be separate from other bargaining units in the school
27 district or educational service district.

28 NEW SECTION. **Sec. 20.** A new section is added to chapter 41.59
29 RCW to read as follows:

30 **COLLECTIVE BARGAINING RIGHTS OF CHARTER PUBLIC SCHOOL EMPLOYEES.**

31 This chapter applies to collective bargaining agreements between
32 charter public schools and the employees of charter public schools
33 included in the bargaining unit. The bargaining unit of employees of
34 charter public schools must be limited to the employees of the
35 charter public school and must be separate from other bargaining
36 units in the school district or educational service district.

1 **Sec. 21.** RCW 41.59.080 and 1998 c 244 s 11 are each amended to
2 read as follows:

3 **COLLECTIVE BARGAINING RIGHTS OF CHARTER PUBLIC SCHOOL EMPLOYEES.**

4 The commission, upon proper application for certification as an
5 exclusive bargaining representative or upon petition for change of
6 unit definition by the employer or any employee organization within
7 the time limits specified in RCW 41.59.070(3), and after hearing upon
8 reasonable notice, shall determine the unit appropriate for the
9 purpose of collective bargaining. In determining, modifying or
10 combining the bargaining unit, the commission shall consider the
11 duties, skills, and working conditions of the educational employees;
12 the history of collective bargaining; the extent of organization
13 among the educational employees; and the desire of the educational
14 employees; except that:

15 (1) A unit including nonsupervisory educational employees shall
16 not be considered appropriate unless it includes all such
17 nonsupervisory educational employees of the employer; and

18 (2) A unit that includes only supervisors may be considered
19 appropriate if a majority of the employees in such category indicate
20 by vote that they desire to be included in such a unit; and

21 (3) A unit that includes only principals and assistant
22 principals may be considered appropriate if a majority of such
23 employees indicate by vote that they desire to be included in such a
24 unit; and

25 (4) A unit that includes both principals and assistant
26 principals and other supervisory employees may be considered
27 appropriate if a majority of the employees in each category indicate
28 by vote that they desire to be included in such a unit; and

29 (5) A unit that includes supervisors and/or principals and
30 assistant principals and nonsupervisory educational employees may be
31 considered appropriate if a majority of the employees in each
32 category indicate by vote that they desire to be included in such a
33 unit; and

34 (6) A unit that includes only employees in vocational-technical
35 institutes or occupational skill centers may be considered to
36 constitute an appropriate bargaining unit if the history of
37 bargaining in any such school district so justifies; and

38 (7) Notwithstanding the definition of collective bargaining, a
39 unit that contains only supervisors and/or principals and assistant

principals shall be limited in scope of bargaining to compensation, hours of work, and the number of days of work in the annual employment contracts; and

(8) The bargaining unit of certificated employees of school districts, educational service districts, or institutions of higher education that are education providers under chapter 28A.193 RCW must be limited to the employees working as education providers to juveniles in each adult correctional facility maintained by the department of corrections and must be separate from other bargaining units in school districts, educational service districts, or institutions of higher education; and

(9) The bargaining unit for employees of charter public schools as defined in section 2 of this act must be limited to the employees of the charter public school and must be separate from other bargaining units in the school district or educational service district.

NEW SECTION. **Sec. 22.** A new section is added to chapter 41.32 RCW under subpart "Provisions applicable to plan I, plan II, and plan III" to read as follows:

RETIREMENT PLAN BENEFITS OF CHARTER PUBLIC SCHOOL EMPLOYEES.

(1) Charter public schools are employers and charter public school teachers are members under this chapter.

(2) This section takes effect only if the department of retirement systems receives determinations from the internal revenue service and the United States department of labor that such participation does not jeopardize the status of these retirement systems as governmental plans under the federal employees' retirement income security act and the internal revenue code.

(3) "Charter public school" means the same as defined in section 2 of this act.

NEW SECTION. **Sec. 23.** A new section is added to chapter 41.35 RCW under subpart "Provisions applicable to plan II and plan III" to read as follows:

RETIREMENT PLAN BENEFITS OF CHARTER PUBLIC SCHOOL EMPLOYEES.

(1) Charter public schools are employers and charter public school employees other than teachers are members under this chapter.

(2) This section takes effect only if the department of retirement systems receives determinations from the internal revenue service and the United States department of labor that such participation does not jeopardize the status of these retirement systems as governmental plans under the federal employees' retirement income security act and the internal revenue code.

(3) "Charter public school" means the same as defined in section 2 of this act.

(4) This section takes effect September 1, 2001.

NEW SECTION. **Sec. 24.** A new section is added to chapter 41.40 RCW under subpart "Provisions applicable to plan I and plan II" to read as follows:

RETIREMENT PLAN BENEFITS OF CHARTER PUBLIC SCHOOL EMPLOYEES.

(1) Charter public schools are employers and charter public school employees other than teachers are members under this chapter. RCW 41.40.750 applies to charter public school employees who are not in plan 1 under this chapter on September 1, 2001.

(2) This section takes effect only if the department of retirement systems receives determinations from the internal revenue service and the United States department of labor that such participation does not jeopardize the status of these retirement systems as governmental plans under the federal employees' retirement income security act and the internal revenue code.

(3) "Charter public school" means the same as defined in section 2 of this act.

NEW SECTION. **Sec. 25. CAPTIONS NOT LAW.** Captions used in this act do not constitute any part of the law.

NEW SECTION. **Sec. 26. NEW CHAPTER IN TITLE 28A RCW.** Sections 1 through 18 and 25 of this act constitute a new chapter in Title 28A RCW.

NEW SECTION. **Sec. 27. SEVERABILITY CLAUSE.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

1 NEW SECTION. **Sec. 28. INTEGRATION WITH OTHER STATUTES.**

2 Within one year of the enactment of this act, the house of
3 representatives and senate committees on education shall develop and
4 recommend legislation, if any is necessary, to bring Title 28A RCW
5 into compliance with this act. Any failure to pass any such
6 legislation shall not, however, affect the validity and
7 enforceability of this act.

8 NEW SECTION. **Sec. 29. CHOICE OF LAW.** If any provisions of
9 this initiative are in conflict with the provisions of any other
10 initiative enacted by the People at the same election, the provisions
11 of this initiative shall be given precedence.

--- END ---